

The Complexity Conundrum: How Marketers Are Rethinking Integration To Unlock Their Brand's Full Potential

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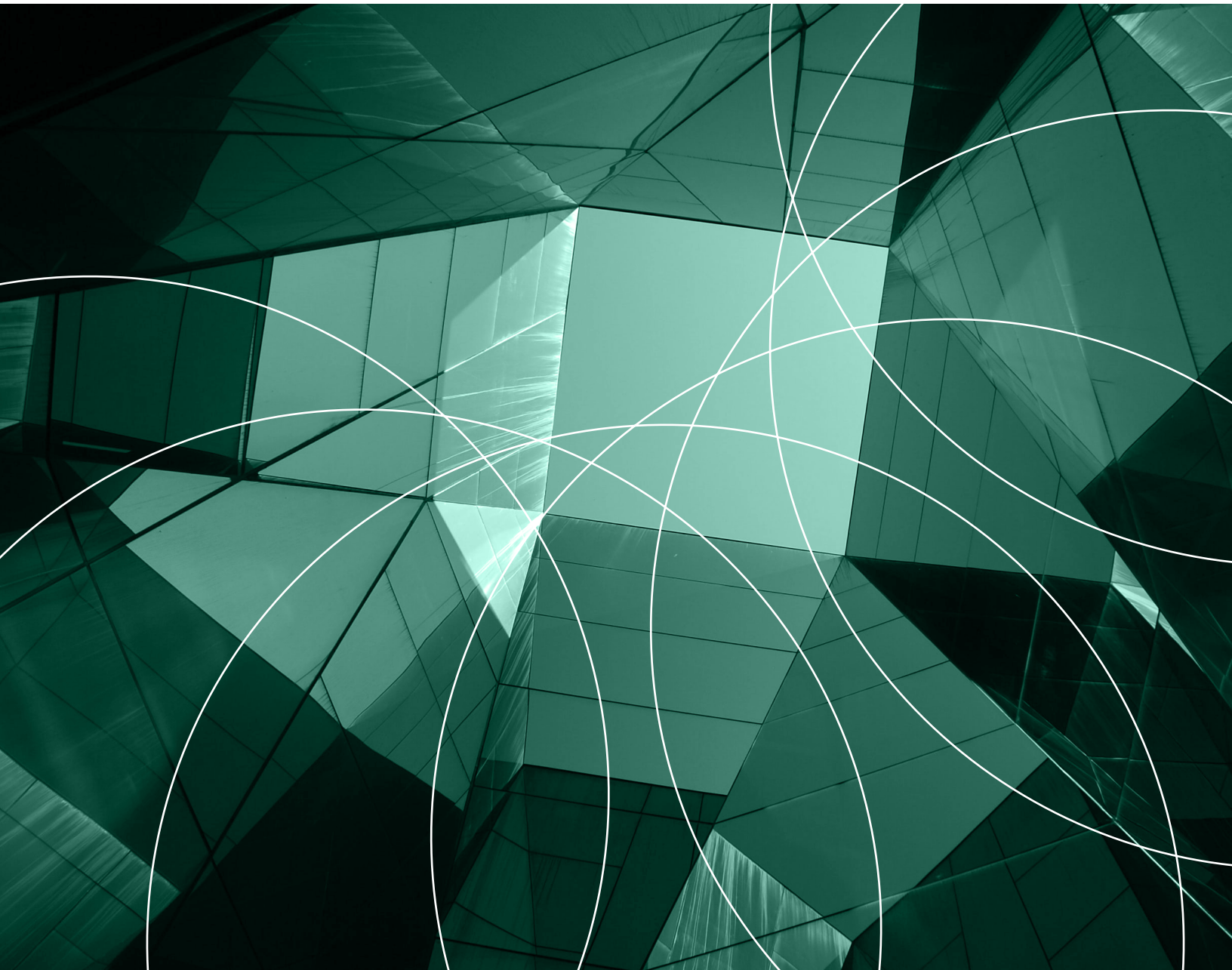


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Executive Summary

Welcome to the era of marketing integration. Brands are facing an increasingly complex marketing environment — from privacy to personalization, AI to identity, precision to persuasion, influencers to agencies. Marketing teams today can master the multitude of challenges by aligning their objectives, connecting their marketing execution, and consolidating responsibilities. Integration helps to remove friction and grow brands.

In May 2023, Quad commissioned Forrester Consulting to evaluate the state of brands' marketing services and partnerships. Forrester conducted an online survey with 355 marketing and media strategy decision-makers at US brands to explore this topic. We found that though brands are continuing to increase the complexity of their marketing ecosystem by adopting more marketing partners and tools, many are now undergoing the journey toward partner integration, leading to more effective marketing outcomes, business benefits, and more impactful customer experiences (CX).

Key Findings



Complexity within marketing teams is at an all-time high.

Marketing teams today use more marketing tools and service providers than ever before. This creates a complex web of providers that hinders effectiveness, exhausts time and budget, creates misalignment, and impacts CX.



Business expectations of marketing teams are continuously increasing.

Marketing teams today are required to meet more sales-related goals and targets than before. Executive teams also continue to put great pressure on the marketing organization to fill pipelines and grow revenue.



Marketing integration is happening, but too slowly.

Three-fourths of respondents indicated that their organization has begun the journey towards marketing integration. However, 44% of them say their brands are still behind their peers, having integrated not more than 10% of their providers.



Incremental integration steps can lead to significant value for both the business and the customer.

Even small moves to integrate marketing tools and partners can yield meaningful results for marketing teams, from more effective and strategic campaigns to overall improved business outcomes.

The Stakes For Marketing Are At An All-Time High

Marketing leaders today face unprecedented levels of internal and external business pressures. Customer expectations continue to rise, while business demands force leaders to deliver on ever-increasing goals and outcomes. Not to mention, today's leaders operate in a highly unpredictable and challenging business environment, further intensifying the need to demonstrate higher-level performance.

Brands need to employ a wide variety of tools and services when executing modern omnichannel marketing strategies, on top of working with a long list of service providers that only seems to grow with each campaign or touchpoint. While these tools and services help brands meet rising customer demands and deliver value to their companies, the resulting complexity comes at a price that goes beyond the impact to budget. Using so many service providers introduces significant complexity to marketing departments that are already strained, leading to disconnected, misaligned, and fragmented marketing execution. As a result, many organizations have embarked on a mission to rationalize their marketing partner and technology ecosystem. However, the integration of these disparate product and service providers has not yet kept pace with expanding complexity.

MARKETING COMPLEXITY HAS EXPANDED EVEN FASTER THAN FEARED

Brands are aware that executing their marketing strategies will only get more complicated. In fact, they fully expect to add to the mayhem by onboarding more marketing services and providers each year to keep up with demands for improved performance and efficiency demanded by the business. Over the last two years, these studies have tracked the scope of brands' marketing channels, tools, and providers and have found that even though decision-makers predicted that marketing complexity would continue to rise over the past two years, they underestimated just how much more complex things could actually become:¹

- **Expanding marketing channels.** Today, brands manage about 10 marketing channels on average, one more than what they expected to be responsible for two years ago, elucidating a 14% gap between expectations and reality.

This pattern shows no signs of slowing down as well, since brands expect to manage more than 14 marketing channels on average two years from now (see Figure 1).

- **Proliferating marketing technology tools.** Since 2021, the number of marketing technologies or tools that brands manage has more than doubled to nearly 11, 66% higher than brands had expected. By 2025, brands expect that number to increase to over 16 martech tools (i.e., triple the amount of martech tools used in 2021).
- **Evermore marketing partners.** Brands also manage more marketing product and service providers today, a 35% increase since 2021. In the next two years, the upward trend is expected to continue, with decision-makers expecting to use more than seven marketing product and service providers. Brands also continue to use multiple providers to accomplish individual marketing tasks, and the number of providers has increased over the last two years. For example, respondents said they are using 53% more partners to execute market research and intelligence compared to two years ago, while they used 40% more partners to execute media operations and governance, 35% more for marketing strategy, and 32% more to execute customer insights.

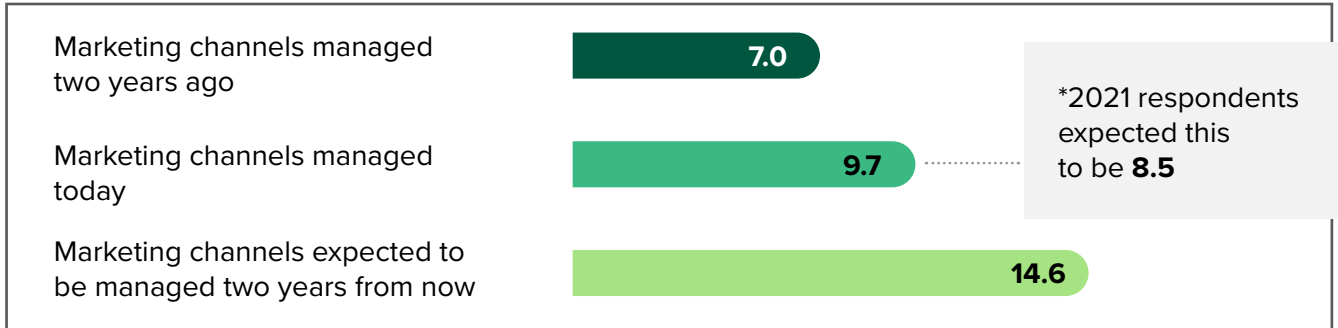
Many brands, however, must do more with less as budgets are not keeping pace with expectations. For many marketing organizations, expectations from the business continue to grow despite budget constraints: 57% of respondents report being tasked with more responsibilities with a slimmer team since the economic downturn, and similarly, 51% were asked to achieve more with a slimmer budget.

This increased complexity affects marketing teams with reduced effectiveness, wasted time and budget, and less impactful CX.

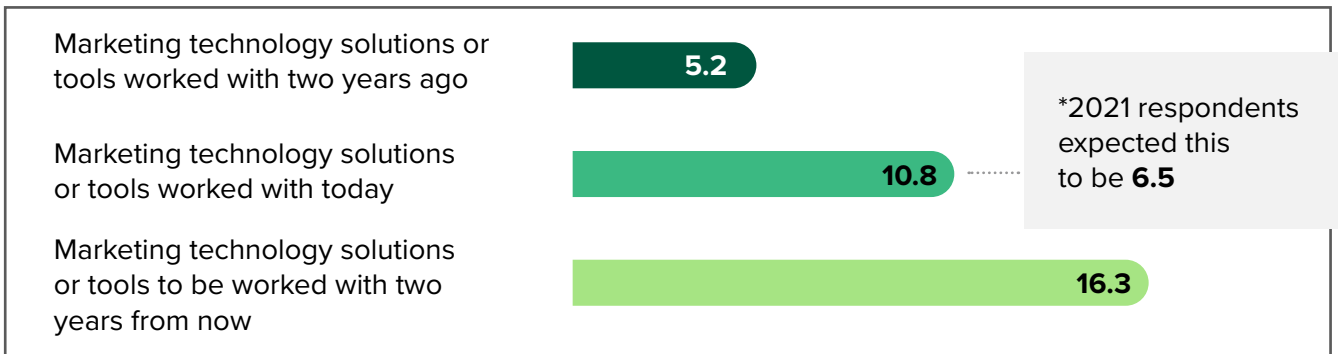
FIGURE 1

Complexity Exceeds Expectations

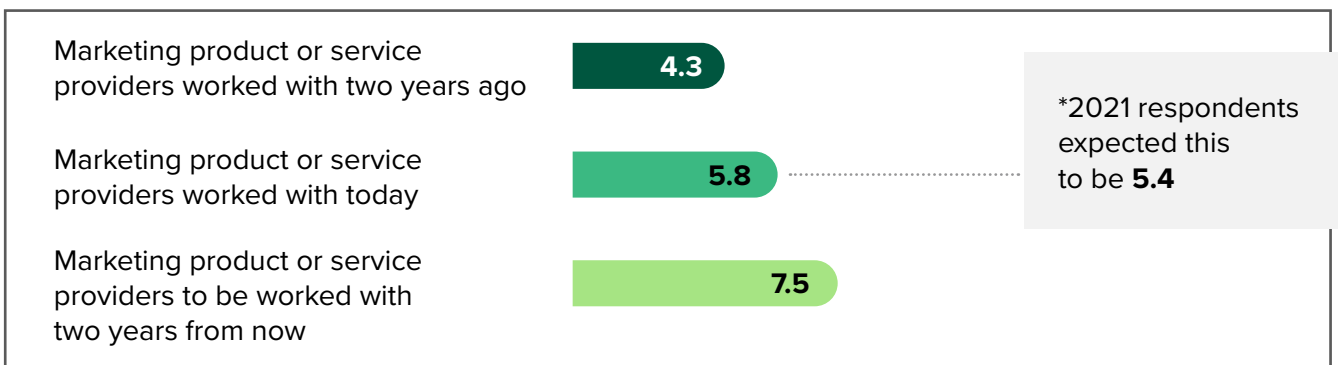
MARKETING CHANNELS



MARKETING TECHNOLOGY SOLUTIONS OR TOOLS



MARKETING PRODUCT OR SERVICE PROVIDERS



*Base: 362 marketing and content/media strategy decision-makers at midsize to large US enterprises
Base: 355 marketing and content/media strategy decision-makers at midsize to large US enterprises
Source: A commissioned study conducted by Forrester Consulting on behalf of Quad, June 2023 and July 2021

BUSINESSES DEMAND MORE FROM MARKETING TEAMS AS CUSTOMERS INCREASE EXPECTATIONS

Marketing teams are under constant pressure from executive teams to deliver, with serious implications for their brand’s CX and business outcomes, and even their continued employment if goals are not met. Specifically, we found that:

- Marketing teams are required to meet more sales-related goals and targets than ever before.** Seventy-five percent of respondents agree that their sales team relies on their department to fill their pipeline during this economic downturn. Furthermore, two-thirds of respondents feel unparalleled pressure from the organization to bring in new customers or revenue (see Figure 2).

FIGURE 2

Business Expectations

● Agree ● Strongly agree



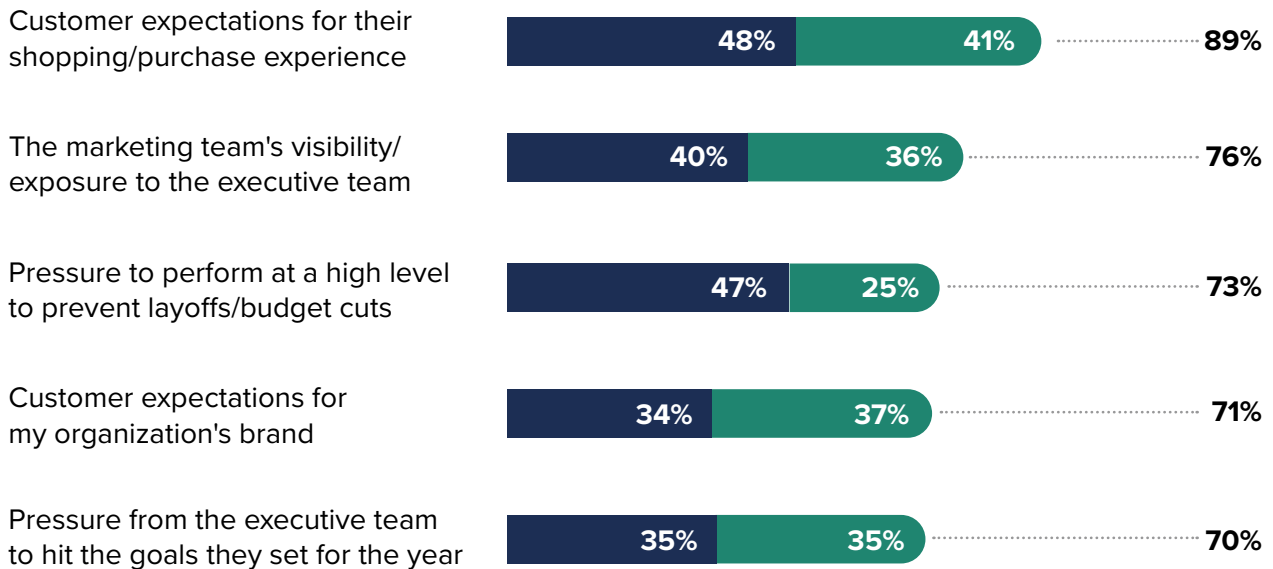
Base: 355 marketing and content/media strategy decision-makers at midsize to large US enterprises
 Source: A commissioned study conducted by Forrester Consulting on behalf of Quad, June 2023

- Executive teams are increasingly holding marketing teams accountable for business goals.** Seventy percent of respondents said that they are under increased pressure from the executive team to hit the bottom-line business goals they set for the year. Moreover, the ability of marketing teams to achieve these goals directly impacts overall business performance. To reduce friction, Forrester advises that marketing leaders must learn to translate marketing speak and optimization metrics into tangible business outcomes.² Respondents reveal their awareness of this: 73% of them said that the pressure to perform at a high level to prevent layoffs or budget cuts has increased in the past year (see Figure 3).

FIGURE 3

“In the past year, have the following things increased, decreased, or stayed the same?”

● Increased ● Significantly increased



Base: 355 marketing and content/media strategy decision-makers at midsize to large US enterprises

Note: Total percentages may not equal separate values due to rounding.

Source: A commissioned study conducted by Forrester Consulting on behalf of Quad, June 2023

- **Customer expectations for brands are at an all-time high.** Rising customer demands are perhaps the greatest pressure brand leaders feel today. The bar for the perfect CX is always rising. Almost 90% of marketing leaders indicated that customer expectations for their shopping or purchase experience has increased in the last year, while 71% said customer expectations for their organization's overall brand have increased.

More than half

of respondents agree they are asked to achieve more with smaller teams and budgets.



Marketing Integration Isn't Keeping Up With Growing Complexity

Forrester's research shows that in an effort to improve business impact and manage the expanding complexity involved in executing their digital marketing strategies, chief marketing officers (CMOs) are increasingly open to integrating critical services.³ Indeed, leaders in this study are highly motivated to manage the complexity of their marketing partner roster, as 63% agreed that keeping on top of a growing list of providers is one of the most complicated aspects of working with multiple marketing partners today (see Figure 4).

In response, many organizations have taken steps to rationalize their marketing partner rosters. In fact, a majority of respondents (75%) report that their organization has integrated providers in at least some capacity. However, there is still so much work to be done: 44% of brands have integrated not more than 10% of their providers, which leaves ample opportunity for those at the start of their journey to learn from and eventually catch up to and even surpass their peers who have already embarked on their integration journey.

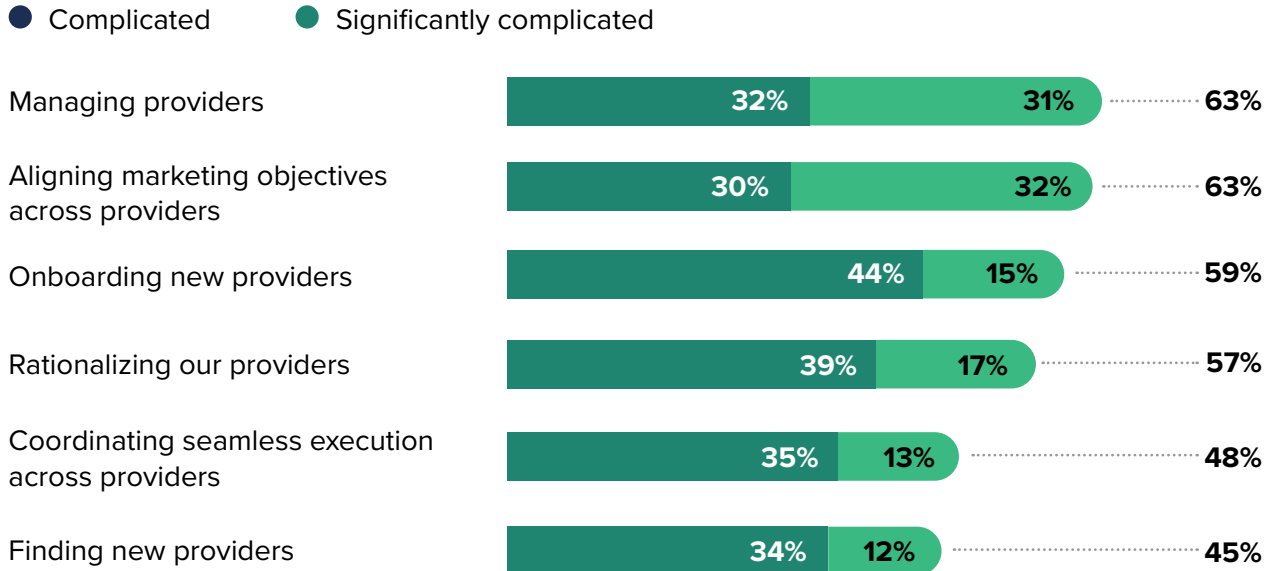
Interestingly, those reluctant to ramp up their integration journey understand that they are missing out on benefits and are not hindered by the lack of executive buy-in or simply do not see the value. The top reason preventing them from integrating their marketing service providers is that many are doubtful they can find vendors who are excellent at all areas they consider critical.



of non-integrators admitted they are missing out on the benefits of integration.

FIGURE 4

“How complicated are each of the following aspects of working with multiple marketing product or service providers?”



Base: 355 marketing and content/media strategy decision-makers at midsize to large US enterprises

Note: Total percentages may not equal separate values due to rounding.

Source: A commissioned study conducted by Forrester Consulting on behalf of Quad, June 2023

MARKETING TEAMS ARE PLAGUED BY DISCONNECTION, WHICH INFECTS TEAM WORKFLOWS AND COMPROMISES BUSINESS ALIGNMENT

Leaders in this study showed that too many marketing organizations are disconnected from other business groups and from their marketing partners, and the complexity of the marketing ecosystem often exacerbates the problem:

- **Marketing leaders struggle when business and marketing goals do not line up.** Organizations struggle to reconcile marketing goals and objectives with those of the rest of the organization. Sixty-two percent of marketing leaders said the misalignment between business and marketing goals was very or extremely challenging. Furthermore, half of the respondents noted that their organization tends to view and execute persuasion and performance marketing tasks as separate components of marketing, although Forrester’s research shows that

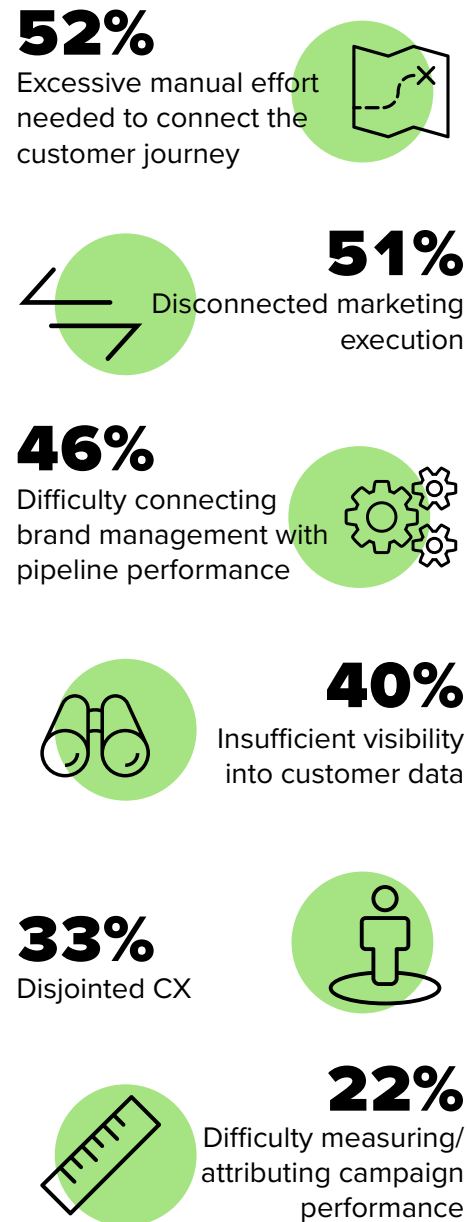
organizations that successfully converge brand and performance marketing are more successful at connecting to customers and proving strategic value to their business.⁴

- **Marketing teams and their external partners are not on the same page.** It becomes very challenging for marketing teams to be exactly aligned with all of their vendors when there are so many of them. Nearly half of marketing leaders state that their marketing partners are not well-aligned with their marketing goals, and 63% agreed it is complicated to align marketing objectives across providers. If this persists, the path to the destination for these brands will not align.
- **Budget constraints add further strain.** With rising costs for marketing teams, especially in challenging economic times, over half of marketing teams are struggling with budget cuts, and 41% find that competition for resources among departments makes future planning difficult.

This misalignment and subsequent budget constraints lead to significant challenges for marketing organizations. Left unresolved, teams that are already strained will continue to expend excessive manual effort to manage customer journeys (52%), struggle with disconnected marketing execution (51%), and have difficulty connecting brand management with pipeline performance (46%) (see Figure 5).

FIGURE 5

Consequences Of Misalignment



Base: 355 marketing and content/media strategy decision-makers at midsize to large US enterprises
Source: A commissioned study conducted by Forrester Consulting on behalf of Quad, June 2023

Even Incremental Integration Steps Can Deliver Substantial Business Benefits

Driven by a desire to maximize efficiency and drive business value, many organizations have taken the first steps toward marketing integration. Respondents whose organizations had begun consolidating their marketing ecosystem were most likely to start by turning to performance marketing agency partners (72%), followed by those whose organizations turned to a brand development and execution agency partner (67%), revealing that integration is largely being driven by persuasion and precision considerations. Marketing leaders are driven to integrate their partner portfolio because they expect it to help deliver better business impact (57%), better use of brand halo effects within performance marketing (56%), and a higher overall ROI on marketing spend (52%).

CHECK THESE MARKERS ON THE PATH TO INTEGRATION

When moving towards integration, marketing leaders should ensure they address the following questions:

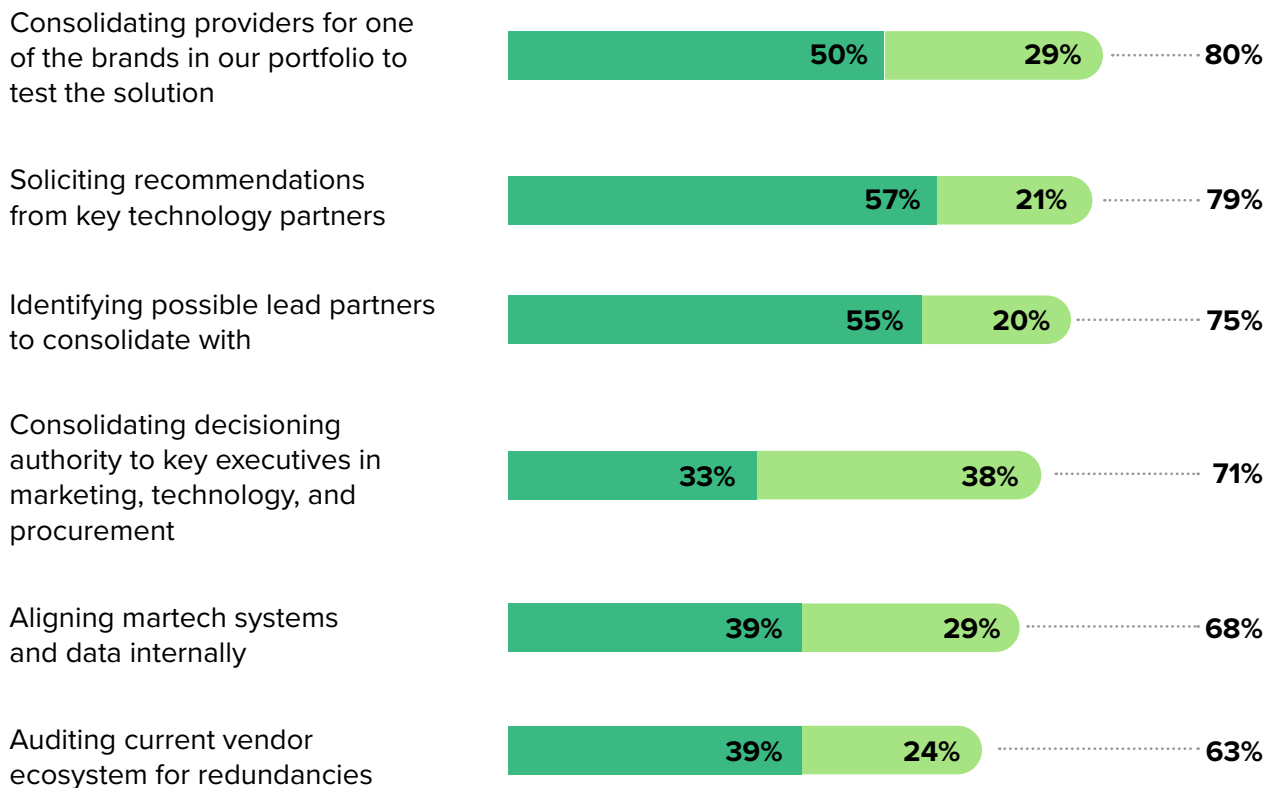
- **What specific marketing functions should be included in marketing integration efforts?** Brands must decide which marketing functions they plan to include when integrating marketing assignments based on their organization's specific needs. The marketing leaders we surveyed most commonly integrated customer analytics, intelligence, and insights (43%), direct marketing (39%), and content marketing (37%).
- **What are the desired characteristics and offerings particular to potential partners?** All partners will have strengths in different areas, but technology expertise is a clear winner on the wish list of marketing leaders. The most important characteristic a vendor must excel in to be considered was technology strategy (67%), with proprietary technology coming in at a close second (63%). Respondents were also keen to find partners who excel at marketing tasks including marketing strategy (50%) and media operations and governance (50%).

- Which are the most important steps on the journey to integration?**
 Integration involves many steps that marketing teams must achieve to optimize their partner integrations. Eighty percent of marketing leaders took the approach of identifying a single brand within the portfolio to act as a test subject as the first and most important step on their journey. Nearly that many (79%) said soliciting recommendations from key technology partners was also important, and 75% said identifying possible lead partners to integrate with were significant enabling steps on their integration journeys (see Figure 6).

FIGURE 6

Important Steps On The Journey To Partner Integration

● Very important ● Critical



Base: 268 marketing and content/media strategy decision-makers at midsize to large US enterprises who have integrated their marketing partners

Note: Total percentages may not equal separate values due to rounding.

Source: A commissioned study conducted by Forrester Consulting on behalf of Quad, June 2023

INTEGRATION ENABLES MARKETING TEAMS TO FOCUS ON DRIVING VALUE FOR THE BUSINESS AND THE CUSTOMER

Organizations often require marketing teams to fill sales pipelines and hit revenue targets, especially in times of economic volatility, thus contributing to the pressure respondents feel today.⁵ As businesses continue to lean heavily on their marketing organizations to meet pipeline and revenue targets, it becomes vital for marketing teams to hone their strategy, optimize workflows, and provide excellent CX. Integration allows marketing teams to deliver on these areas by enabling teams to navigate the complexity of messages, channels, data, technology, operational silos, budgets, and services, which frees up time and resources for more strategic work.⁶

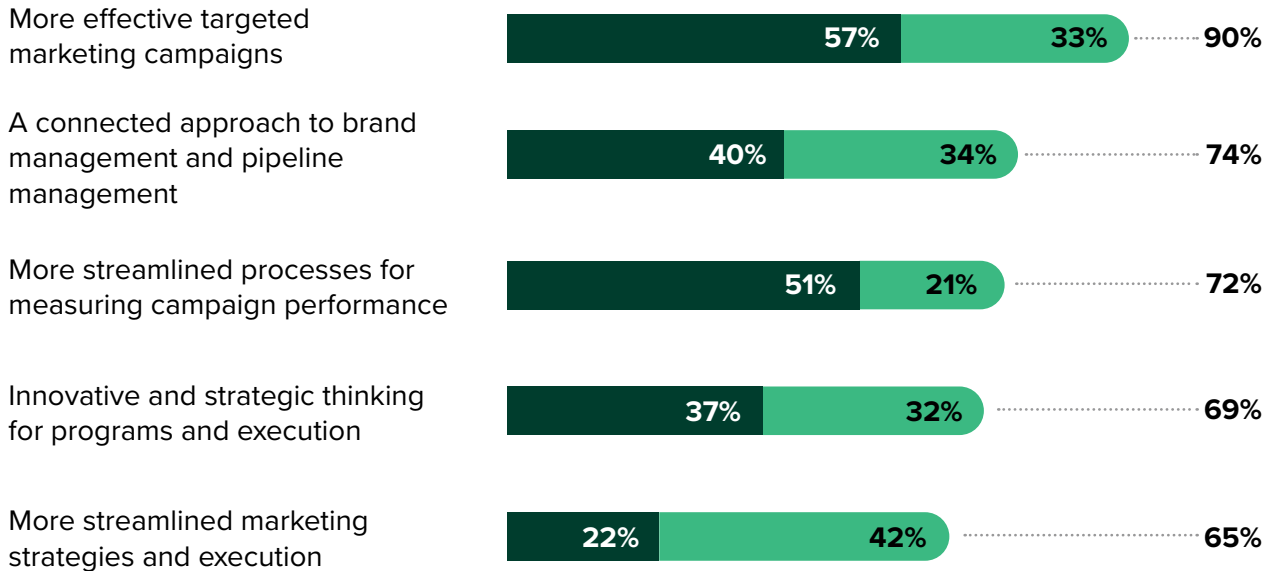
Respondents who have begun integrating partners enjoyed:

- **More effective and strategic campaigns.** Working with an integration partner enables marketing teams to focus on tasks that are more strategically valuable, including finding more effective targeted marketing campaigns, which 90% of respondents said had a massive benefit on their business (see Figure 7). Furthermore, 69% of respondents said having more space for innovative and strategic thinking for programs and execution was a major benefit. Respondents that have integrated their marketing assignments also found they were more likely to claim better alignment among internal business units, compared to non-integrators.
- **More streamlined processes and workflows.** Integration also enables marketing teams to optimize workflows by having fewer partners to coordinate with. Nearly 90% of respondents highlighted working with a simplified partner model as a benefit of integrating their products and services (87%).
- **Better business outcomes.** Fundamentally, all marketing organizations are tasked with increasing pipeline and meeting revenue targets. This study found that 71% of respondents could improve business outcomes as a result of working with integration partners. In fact, those who have integrated found that they could more effectively drive growth for their organization and were better able to demonstrate their marketing team's contribution to revenue. Respondents even noted increased job security from improved marketing performance as a benefit.

FIGURE 7

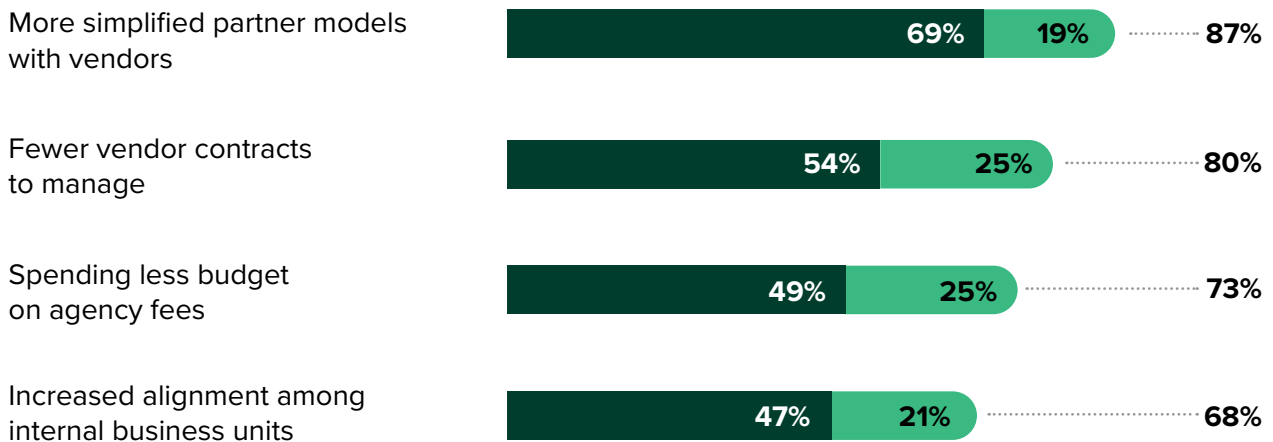
Impact Of Benefits To Strategy And Campaigns From Integrating Marketing Partners And Tool

● Very impactful ● Transformational



Impact Of Benefits To Internal Ecosystem From Integrating Marketing Partners And Tools

● Very impactful ● Transformational



Base: 268 marketing and content/media strategy decision-makers at midsize to large US enterprises who have integrated their marketing partners

Note: Total percentages may not equal separate values due to rounding.

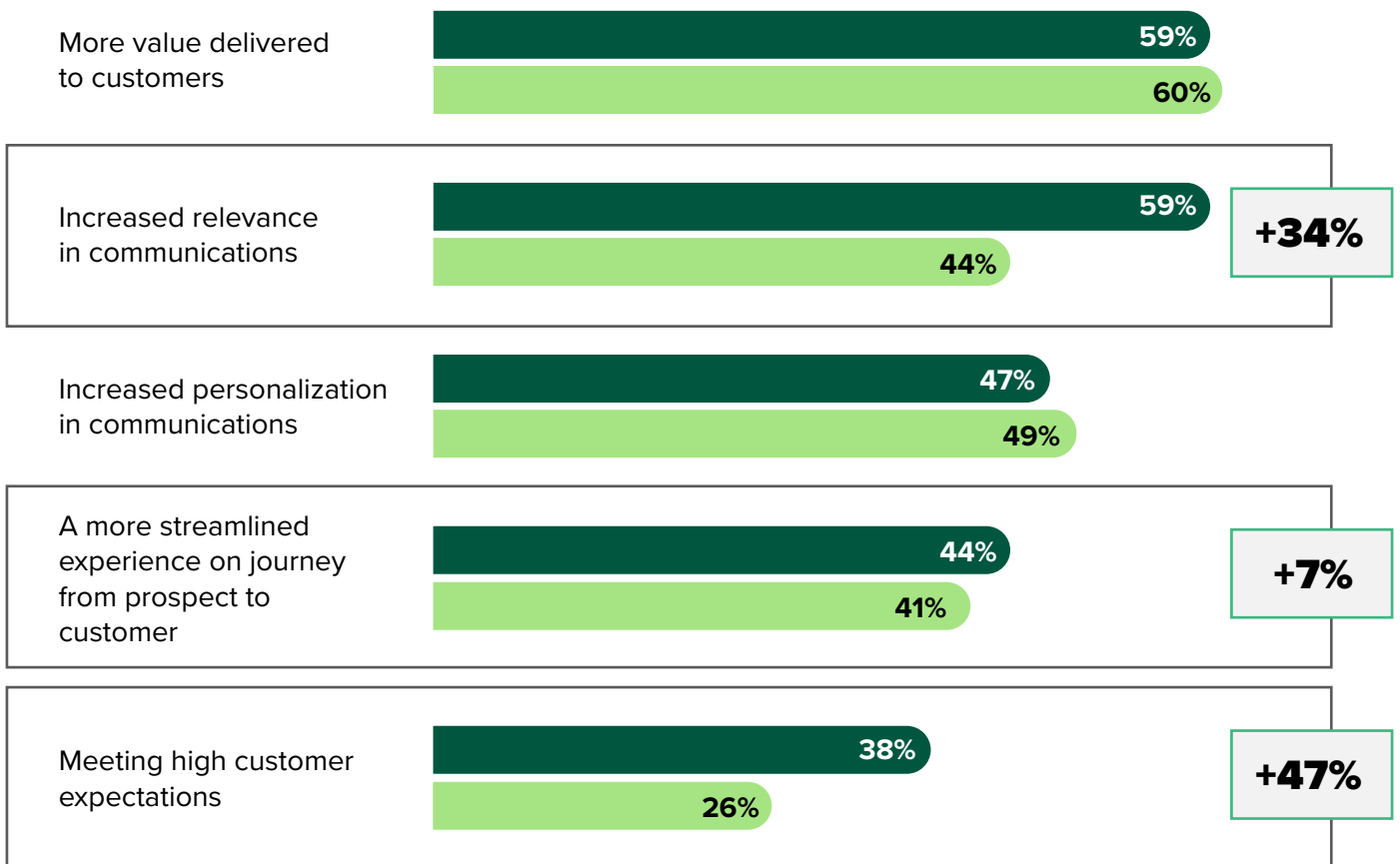
Source: A commissioned study conducted by Forrester Consulting on behalf of Quad, June 2023

- Better experiences for customers.** Customers are demanding more than ever from brands. Working with an integration partner can help marketing teams meet these rising customer needs. Nearly 60% of those working with an integration partner noted an increase in relevant communications for their customers — a 34% increase over their non-integration counterparts. Those working with an integration partner were also 46% more likely to meet high customer expectations compared to those that are not (see Figure 8).

FIGURE 8

Expected And Realized Benefits Of Integrating Marketing Partners And Tools

● Consolidators ● Non-consolidators



Base: 355 marketing and content/media strategy decision-makers at midsize to large US enterprises
 Source: A commissioned study conducted by Forrester Consulting on behalf of Quad, June 2023

Key Recommendations

Misaligned goals, budgets, and resources present a paradoxical choice between efficacy and efficiency. This choice challenges the ability of marketing leaders to produce the returns, impacts, and opportunities necessary for business to succeed. Marketers need both efficiency and effectiveness from the campaigns they deliver and the partners who produce them. A clear opportunity to align objectives, budgets and outputs is to integrate marketing solutions and partners. An integrated marketing approach is both logical and necessary given consumers' expectations for seamlessness from brands, the economic pressure on marketing resources, and the demands placed upon CMOs to deliver growth.

Forrester's in-depth survey of marketing leaders, their experiences and expectations for more connected marketing solutions yielded several important recommendations:

Test the integration strategy.

Begin the integration journey with a focused and contained initiative to build the business case for more tightly connected marketing programs and fewer, more coordinated marketing services partnerships. Choose a single brand or product launch/initiative that enables you to isolate the effect, minimize risk, and maximize learning. Select the marketing partner best equipped to integrate the needed capabilities or services: insights/ intelligence, creative development, production, and media activation. Set executive expectations for multidimensional KPIs including simplicity of structure, efficiency of process, effectiveness of marketing, and vital learning to apply to broader use cases, additional brands, channels, or products inside the portfolio.

Collapse the consumer marketing experience.

Integrated execution and partners are in vogue because the once linear marketing funnel (i.e., from awareness to consideration to purchase) is, at best, greatly compressed. Today's path to purchase is a non-linear one where customers can enter and exit at any stage. Capitalize on this when you merge brand and demand into a full-funnel marketing strategy that consolidates partners, marketing objectives, and budgets. Deploy your full-funnel strategy by addressing the full range of customer needs. Meet the emotional, functional, and transactional needs of customers across the journey. Next, create a data-driven understanding of the customer journey and plot where communications can be most effective. Lastly, bring to the fore the test-and-learn mindset from above and apply it at scale to audiences, channels, messages, tactics, and technology.

Remove the multipartner melee and friction.

Better partner relationships and more customer/consumer-centric executions are the result of an approach that cocreates solutions between agency and client, aligned objectives for mutual reward and transparent measurement to improve marketing outcomes and collaboration. Whether a smaller agency roster or single agency provider, establish integration and growth as key objectives and build them into master services agreements between provider and brand. Finally, foster regular relationship management and evaluation to continually improve the consolidated roster.

Appendix A: Methodology

In this study, Forrester conducted an online survey of 355 decision-makers at organizations in the United States to evaluate agency consolidation practices. Survey participants included decision-makers in marketing and content/media strategy. Questions provided to the participants asked about marketing team spend, practices, and agency consolidation. Respondents were offered a small incentive as a thank you for time spent on the survey. The study began in May 2023 and was completed in June 2023.

Appendix B: Demographics

COUNTRY	
US	100%

INDUSTRY	
Retail	43%
Commercial pharmaceutical	15%
Financial services and/or insurance	14%
Consumer product goods and/or manufacturing	14%
Grocery, including food, and/or beverage	14%

COMPANY SIZE	
2 to 99 employees	4%
100 to 499 employees	13%
500 to 999 employees	28%
1,000 to 4,999 employees	26%
5,000 to 19,999 employees	21%
20,000 or more employees	8%

RESPONDENT LEVEL	
Director	59%
Vice president	27%
C-level executive	14%

Note: Percentages may not total 100 due to rounding.

Appendix C: Supplemental Material

RELATED FORRESTER RESEARCH

[“Deploy A Full-Funnel Marketing Strategy To Combine Precision With Persuasion,” Forrester Research, Inc., March 6, 2023.](#)

[“Select Full-Funnel Agencies To Combine Precision With Persuasion,” Forrester Research, Inc., March 17, 2023.](#)

[The Forrester Wave: Global Marketing Services, Q3 2022](#)

Appendix D: Endnotes

¹ Source: “The Future Of Marketing Depends On A New Blended Partner Ecosystem,” a commissioned study conducted by Forrester Consulting on behalf of Quad, August 2021.

² Source: [“Navigating The 2023 Downturn: B2C Marketing Executives,”](#) Forrester Research, Inc., January 26, 2023.

³ Source: Jay Pattisall, [“The Agency Landscape Converges On Frictionless Partner Models,”](#) Forrester Blogs.

⁴ Source: [“Rethink Brand And Performance Media,”](#) Forrester Research Inc., August 27, 2021.

⁵ Source: Jay Pattisall and Keith Johnston, [“Solving The ‘Do More With Less’ Marketing Paradox: Human Plus Technology Equivalents,”](#) Forrester Blogs.

⁶ Source: [“Select Full-Funnel Agencies To Combine Precision With Persuasion Marketing,”](#) Forrester Research, Inc., March 17, 2023.



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